



**Department of
Veterans Affairs**



**Office of Acquisition
and Logistics**

Acquiring the Best for Our Nation's Veterans.
Every Day. Every Time.

FY 2013 VA Supplier Webinar Update on OALC Strategic Direction

February 13, 2013



Current State of **SUPPLIER RELATIONSHIP MANAGEMENT INITIATIVE**

Mr. Jan Frye

Deputy Assistant Secretary
Office of Acquisition and Logistics

VA Office of Acquisitions and Logistics Webinar

Welcome/Agenda

2:00-2:05 PM	OPENING REMARKS: Current State of Supplier Relationship Initiatives <ul style="list-style-type: none">• Results from 4Q FY 2012 VA Supplier Perception Survey• Update on VA Industry Advisory Group activities	Mr. Jan R. Frye Deputy Assistant Secretary Office of Acquisition & Logistics
2:05-2:20 PM	Strategic Direction of VA <ul style="list-style-type: none">• Department Priorities• Acquisition Process Improvement• Supply Chain Management	Mr. Thomas A. Burgess Associate Deputy Assistant Secretary Office of Logistics & Supply Chain Management
2:20-2:30 PM	Veteran & Small Business Program Update	Mr. Tom Leney Executive Director Veterans & Small Business Programs
2:30-2:55 PM	Question & Answer Session	Mr. Thomas A. Burgess Mr. Jan R. Frye Mr. C. Ford Heard Associate Deputy Assistant Secretary Policy, Systems & Oversight Mr. Tom Leney Open to all Participants
2:55-3:00 PM	Closing Remarks	Mr. Jan R. Frye / Mr. Thomas A. Burgess

Current state of Supplier Relationship Management Initiatives

The Department of Veterans Affairs (VA) Office of Acquisition and Logistics (OAL) launched the Supplier Relationship Management (SRM) Initiative in 2009 as a formal effort to gather input from VA suppliers and internal customers on how to improve the acquisition process. SRM is focused on several long term program goals:

1. Improving relations with VA's supplier community
2. Improving transparency, collaboration, and participation in the acquisition process
3. Increasing VA's access to industry innovations
4. Working with suppliers and internal customers to identify and address contracting and delivery barriers
5. Improving VA's ability to deliver products and services to Veterans at the right place and time and with the right quality

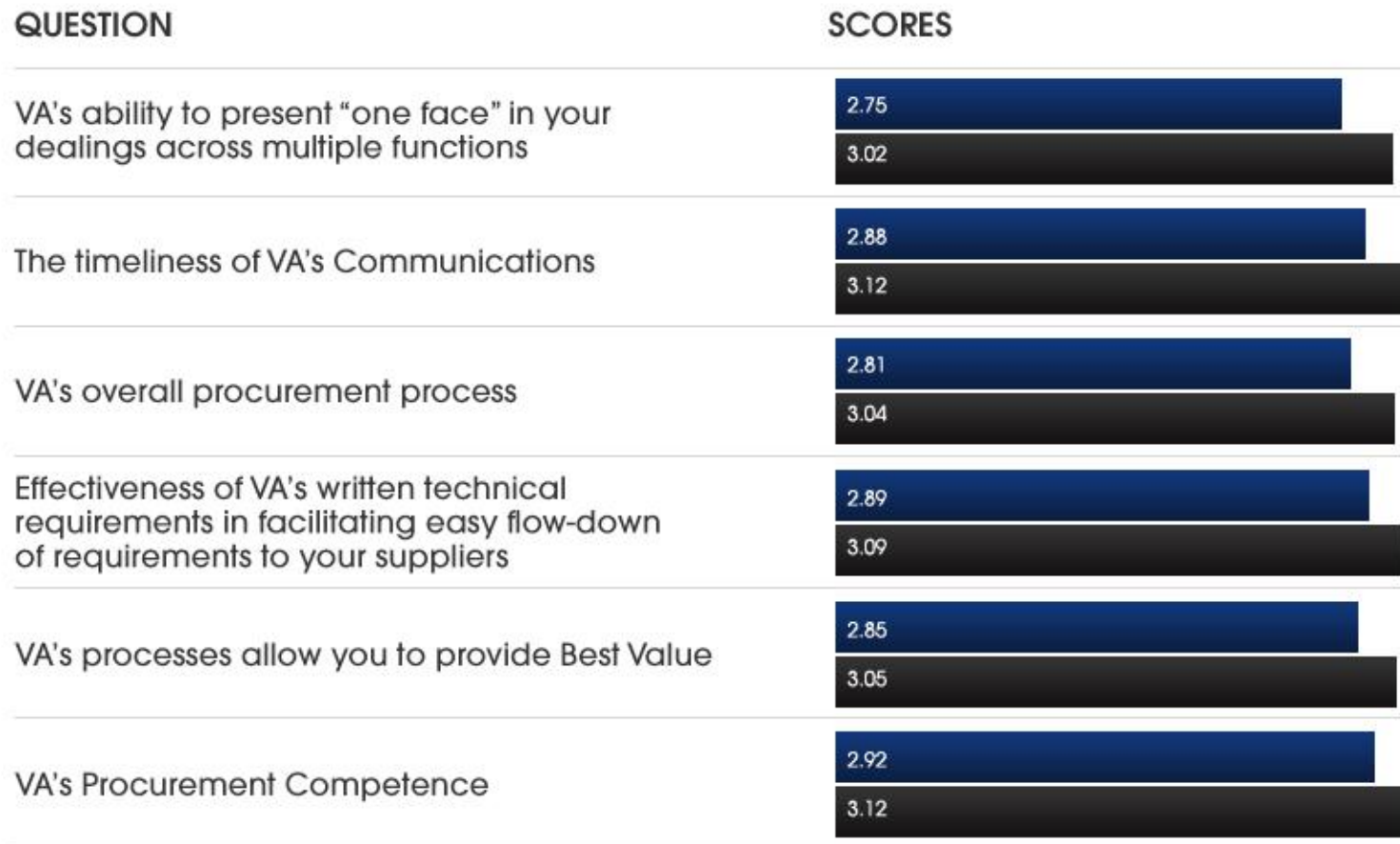
Q4 FY 2012 Supplier Perception Survey

The results of the 2012 Q4 Supplier Perception Survey demonstrate that VA again scored a 3.2 on a 1 to 5 Likert scale in overall satisfaction. This is up from the 3.0 from when we started the program. Analysis of the results shows a number of areas for potential improvement. In general, supplier concerns focus on issues related to:

- How technical specifications are developed and communicated between the VA and its suppliers
- Communication about and timeliness of the procurement process
- Use of Lowest Cost Technically Acceptable vs. Best Value
- Federal Strategic Sourcing Initiative (FSSI)
- Service Disabled Veteran Owned Small Business (SDVOSB)/Veteran Owned Small Business (VOSB) certification process
- Contract renewals

Q4 FY 2012 Supplier Perception Survey Baseline Survey Comparison

Questions demonstrating the most significant improvement from the baseline survey to most recent iteration:



Baseline Survey
(2Q FY11)

Most Recent
Supplier Survey
(4Q FY2012)

Q4 FY 2012 Supplier Perception Survey

Conclusion and Next Steps

The highest scores received by VA are related to the level of commitment suppliers feel towards working with the VA for the long-term, as well as the quality of the working relationship.

This demonstrates the loyalty and dedication of the VA suppliers to the cause. We appreciate your continued support and collaboration as we continue to improve satisfaction scores.

The information and resulting analysis collected from the supplier surveys is taken seriously and all Office of Acquisition, Logistics and Construction executives are briefed on the scores with plans for improvement.

VA Industry Advisory Group Update

VAs Industry Advisory Group (IAG) was formed in June 2011. The IAG is composed of a group of VA industry suppliers who meet quarterly to discuss and make suggestions about how VA can improve its acquisitions processes.

- Independent group coordinated through the Ambit Group and North Carolina State University's Poole College of Management
- 20 suppliers with active VA contracts, who work in construction, manufacturing, Information Technology, medical supplies & products, healthcare services, and management consulting
 - All volunteer organization
 - 90 companies were initially invited based on industry type, VA spend, and socio-economic status representation

VA Industry Advisory Group Update

- IAG Goals:
 - Share best practices & success stories
 - Provide structured suggestions to VA Acquisition Leadership
- Presented Issue Papers to VA Senior Procurement Council, Office of Construction and Facilities Management (CFM) and OAL.
 - Construction Acquisition Approaches
 - Use of Reverse Auctions
 - Requirement Development and Early Contractor Involvement
- IAG Subcommittees:
 - Construction and Design Subcommittee
 - Reverse Auction Subcommittee
 - SDVOSB Subcommittee
 - Early Contractor Involvement Subcommittee



Strategic Direction **OF VA**

Mr. Thomas A. Burgess

Associate Deputy Assistant Secretary
Office of Logistics and Supply Chain Management

1. Department Focus
2. Acquisition Process Improvement
3. Supply Chain Management

Strategic Direction of VA

Department Focus

- New strategic plan expected in February 2014
- Become more flexible and scalable while ensuring continuous service delivery
- Continue investment in IT enabling technologies
- Increase access to mental health care
- Continue to transform health care & benefit delivery models in a holistic manner focused on Veteran “wellness”
- Improve quality and cost efficiency of VA service delivery options
- Improve collaboration with DoD & other partners to better serve Veterans
- Continue efforts to eliminate Veterans homelessness

Strategic Direction of VA Acquisition Process Improvement

- Improve training to focus on collaborative contracting, total cost of ownership, and risk management in contracting
 - ✓ Contracting
 - ✓ Program Management
- Improve compliance with federal & VA policies
 - ✓ Sourcing
 - ✓ Process discipline
- Simplify and consolidate policy framework
- Increase industry early involvement in requirements development
- Reduce reliance of credit card “purchasing”

Strategic Direction of VA Supply Chain Management

- Federal strategic sourcing initiatives
- Department strategic sourcing initiatives
 - Fewer contracts, increased “ordering”
 - Medical-Surgical focus
- GS1 standards
- Supply Chain Management School at VA Acquisition Academy
- “Supplier as Customer” course
- SRM forums
- Supplier help desk



Veterans & Small Business **PROGRAM UPDATE**

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (OSDBU)

Mr. Tom Leney
Executive Director
Veterans and Small Business Programs

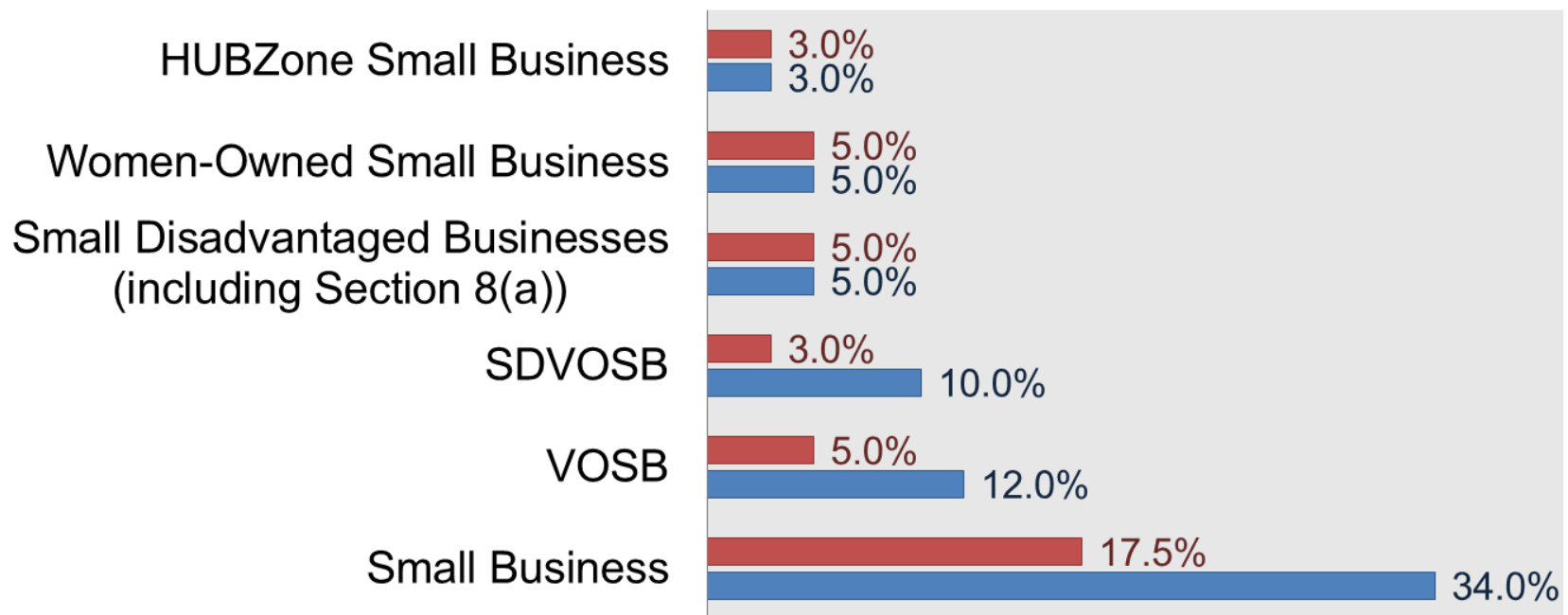
- **Primary:** Expand participation of small businesses that can add value to the mission of the Department of Veterans Affairs.
- **Secondary:** Promote Veteran employment

OSDBU Updates

Small Business Goals

Fiscal Year (FY) 2012 and FY 2013 Department-wide SB Program Goals

■ Subcontracting Goals ■ Prime Contracting Goals



- Veteran Entrepreneurial Portal
- Capacity Building
 - Become Procurement Ready
- Direct Connect Program

- Webinars
- National Veterans Conference
- Opportunity Showcases
- Industry Days

- **What is Verification?**
- **What businesses are eligible under the program?**
 - VOSB and SDVOSB
- **Why get verified?**
 - Vet First Program
- **What assistance is available for Veterans?**
 - Verification Assistance Program (VAP)

**For more information
please visit:**

<http://www.va.gov/osdbu>



Question & Answer **SESSION**



Closing Remarks

Mr. Jan Frye

Deputy Assistant Secretary
Office of Acquisition and Logistics